WRITTEN ANSWERS TO STARRED QUESTIONS

FDI in India

*341. SHRI JIBON ROY: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) the quantum of foreign direct investment made in India during the last three financial year, year-wise; and

(b) the percentage of FDI made in the during above period in comparison to FDi made throughout the world?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI ARUN JAITLEY): (a) Foreign Direct Investment (FDI) inflows into India during the period 1999-2000 to 2001-02 (excluding ADRs/GDRs and advances pending issue of shares) as reported in the Economic Survey 2002-03, are as under:

Financial Year	Amount of FDI inflows (US $ in billion)
1999-2000	2.15
2000-2001	2.34
2001-2002	3.90

(b) Foreign Direct Investment inflows are reported in the UNCTAD World Investment Report on calender-year basis. Accordingly, the percentage share of annual FDI inflows into India (excluding ADRs/ GDRs and advances pending issue of shares) in comparison with World FDI inflows during the period 2000-2002 is given below:

Year (Jan.-Dec.)	World FDI inflows (US $ in billion)	FDI inflows into India (US $ in billion)	Percentage share of India in world FDI inflows
2000	1300	2.43	0.19
2001	735	3.57	0.49
2002	534	3.38	0.63

The above World FDI inflow figures contained in the UNCTAD world Investment Report are compiled on the basis of figures reported by individual countries, a large number of which report their FDI inflows on the basis of International Monetary Fund (IMF) definition, which includes apart from equity capital, reinvested earnings and intra-company debt transactions. India, however, reports FDI inflows only on the basis of cash investments in equity capital. To that extent, there is an element of under-reporting in the case of India, as the published figures donot fully capture the FDI inflows as per IMF definition. Notwithstanding the above, there has ben a consistent growth in our share in the World FDI inflows.

Proposal to increase FDI ceiling

*342. SHRI B.J. PANDA:
MISS MABEL REBELLO:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government propose to bring a package of proposals to increase FDI ceiling;

(b) if so, the sectors which would be covered and the details of relaxation in norms for the purpose;

(c) whether civil aviation and telecom services would also be covered; and

(d) if so, whether it will not infringe with our security system?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI ARUN JAITLEY): (a) to (d) The Foreign Direct Investment (FDI) policy, which includes sectoral caps on foreign equity participation, is reviewed on an ongoing basis. Recently, Government has been considering raising/removal of limits on foreign equity participation in certain sectors, including civil aviation and telecom services. Any liberalisation in respect of foreign equity participation in these sectors would be subject to comprehensive guidelines and procedures on security clearance.